

NOV 19 2007

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

APPL. NO.: 09/822,732

APPLICANTS: REUBEN BAHAR

FILED: 03/30/2001

FOR: "METHOD AND SYSTEM FOR
AUCTIONING BAD DEBTS
UTILIZING ASSORTING
ARRANGEMENT BASED ON THE
GEOGRAPHIC LOCATION WHERE
JURISDICTION IS PRESENT OVER
THE DEBTOR"

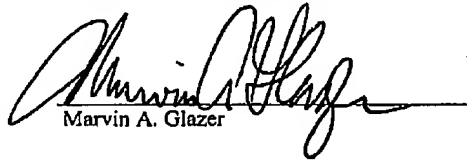
Art Unit 3693

Examiner: Borlinghaus, Jason M.

Confirmation No. 7238

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Marvin A. Glazer

Nov. 19, 2007
Date

REPLY TO EXAMINER'S ANSWER

MAIL STOP AF
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

This Reply Brief is in response to the Examiner's Answer mailed September 18, 2007, and
is in further support of the Notice of Appeal filed in the Patent Office by the above-identified

1 Applicant/Appellant on April 12, 2007, appealing the final rejection of the Examiner dated April 5,
2 2007, finally rejecting claims 1-6, 8-11, 13-19, 21-25, 28-38, 40-45, 47, 50 and 55-64.

3
4 Claim 1:

5 At page 32 of the Examiner's Answer, the Examiner has asserted a new argument as to why
6 it would purportedly have been "obvious" to modify Morris to classify bad debt items by
7 geographic territories in which the debtor resides. The Examiner's new argument is quoted below:

8 " Such modification would be motivated by the debt purchaser's interest in
9 knowing which geographic territories they may be drawn into should debt collection
10 proceed to legal actions and the debtor should seek to transfer legal proceedings to their
11 geographic territory of residence. The debt-purchaser may wish to avoid purchasing debt
accounts in which their was a risk of being pulled into a debtor-friendly jurisdiction or may
desire to limit the geographic areas in which they may potentially need to fund legal
activities."

12 Similarly, at page 33 of the Examiner's Answer, the Examiner states that "... a debt-purchaser in
13 Florida might not want to purchase a debt account of a debtor that resides in Alaska due to the
14 long-distance nature and possible additional expense of the collection proceedings."

15 The Examiner's new arguments quoted above ("... may wish to avoid ..."; "... may desire to
16 limit ..."; "... might not want to purchase ...") are wholly speculative¹. The cited Brown publication
17 does not caution those who enforce judgments to avoid debtors who reside in "debtor-friendly"
18 jurisdictions. The Examiner has failed to point to any specific teaching or disclosure within the
19 cited Brown reference, or any of the other cited references, which teaches or suggests that debts
20 should be classified in the manner recited in claim 1 when being auctioned.

21
22
23
24 ¹ The Examiner's Answer makes similarly speculative arguments regarding claims 3, 34, 38, 47,
25 55 and 62-64 (see Examiner's Answer at page 35, first paragraph); and regarding claims 6, 11 and 19
26 (see Examiner's Answer at page 36, last paragraph).
27

1 Claims 3, 34, 38, 47, 55, 62, 63, and 64:

2 At page 35, second paragraph, of the Examiner's Answer, the Examiner attempts to address
3 Appellant's arguments that the method of claims 3, 34, 38, 47, 55, 62, 63, and 64 provides
4 advantages of grouping two or more bad debts together, particularly lower-valued debts. The
5 Examiner does not challenge Appellant's argument that such advantages are disclosed in
6 Appellant's specification. Rather, the Examiner contends that such advantages are irrelevant in
7 regard to the Examiner's Section 103(a) rejection, because such advantages are not expressly
8 recited in the claims themselves.

9 Advantages of a claimed invention need not be expressly recited in a patent claim in order
10 to show that the claimed invention would not have been obvious to those skilled in the art at the
11 time that the claimed invention was made. If the specification filed by Appellant describes such
12 advantages, and if such advantages are inherent in the claimed method, then such advantages of the
13 claimed invention are relevant with respect to the non-obviousness of the claimed method.

14
15 Claims 24 and 25:

16 On pages 37-38 of the Examiner's Answer, the Examiner has introduced a new argument
17 regarding the rejection of claims 24 and 25. The Examiner now contends that Atkinson discloses
18 "an online auction conducted utilizing concurrent bidding phase intervals, in that bidders submit
19 bids concurrently during each auction round." However, the Examiner fails to point to any portion
20 of Atkinson which discloses or suggests that two or more auctions are being conducted at the same
21 time. Appellant defines the term "concurrent", at pages 14-15 of Appellant's specification, as
22 follows:

23 " By stating that bidding phase intervals may run in a concurrent manner, it is meant
24 that each designated location bidding site, as exemplified by reference character 17, will
25 display a separate and distinct bidding phase interval that runs simultaneously with other
26 bidding phase intervals running on other designated location bidding sites. Additionally, it
27 is contemplated that a designated location bidding site may have more than one bidding
phase interval that is running 'concurrently' with another bidding phase interval on the
same designated location bidding site."

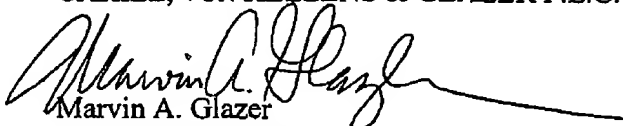
1 The Examiner's argument (set forth on page 37 of the Examiner's Answer, in the last full
2 paragraph on such page) that Atkinson teaches "concurrent bidding phase intervals, in that bidders
3 submit bids concurrently during each auction round" attributes a twisted meaning to the phrase
4 "concurrent bidding phase intervals" which is contrary to the definition set forth in Appellant's
5 specification.

6
7 8. Conclusion:

8 Accordingly, Appellant submits that the appealed claims define subject matter that is
9 patentably distinguishable over the applied prior art, and requests the Board to reverse the
10 Examiner's rejection of the appealed claims.

11
12 Respectfully submitted;

13 CAHILL, VON HELLENS & GLAZER P.L.C.

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